

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF WOODLAND ACRES SANITATION,)	
INC., FOR A CERTIFICATE OF PUBLIC CON-)	
VENIENCE AND NECESSITY FOR THE CONSTRUCTION)	CASE NO.
OF A SEWAGE TREATMENT PLANT IN BULLITT)	8989
COUNTY, KENTUCKY, FOR APPROVAL OF INITIAL)	
RATES AND FOR APPROVAL OF FINANCING)	

O R D E R

IT IS ORDERED that Woodland Acres Sanitation, Inc., ("Woodland Acres"), shall file an original and six copies of the following information with this Commission by June 18, 1984. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. Provide the basis and supporting calculations for the proposed monthly rate of \$25.08.

2. Provide an estimate of the monthly rate, including supporting calculations, for the remainder of 1984 considered necessary to cover operating costs.

3. Provide an estimate of the monthly rate, including supporting calculations, for 1985 considered necessary to cover operating costs.

4. Provide the basis for the amounts of the various expenses listed in Exhibit "C" of the application filed on May 18, 1984.

5. Provide a third-party beneficiary agreement.

6. Woodland Acres has stated that its proposed initial rate will not cover projected operating expenses for 1984 and 1985. As a result, Woodland Acres has proposed to borrow operating funds from its parent company, Big Star Land Company, Inc. Is Woodland Acres aware of the Commission's policy not to allow, for rate-making purposes, interest expense on debt incurred to subsidize operating losses?

7. What alternative plan has been considered by Woodland Acres for funding of operating deficits incurred in the initial years of operation should it be allowed to charge a monthly rate that will not cover its total operating costs?

Done at Frankfort, Kentucky, this 4th day of June, 1984.

PUBLIC SERVICE COMMISSION


By the Commission

ATTEST:

Secretary